



**3300-01-m**

## **DENALI COMMISSION**

### **Denali Commission Fiscal Year 2020 Draft Work Plan**

**AGENCY:** Denali Commission.

**ACTION:** Notice.

**SUMMARY:** The Denali Commission (Commission) is an independent Federal agency based on an innovative federal-state partnership designed to provide critical utilities, infrastructure and support for economic development and training in Alaska by delivering federal services in the most cost-effective manner possible. The Commission was created in 1998 with passage of the October 21, 1998 Denali Commission Act (Act). The Act requires that the Commission develop proposed work plans for future spending and that the annual work plan be published in the Federal Register, providing an opportunity for a 30-day period of public review and written comment. This Federal Register notice serves to announce the 30-day opportunity for public comment on the Denali Commission Draft Work Plan for Federal Fiscal Year 2020 (FY 2020).

**DATES:** Comments and related material to be received by September 2, 2019.

**ADDRESSES:** Submit comments to the Denali Commission, Attention: Elinda Hetami, 510 L Street, Suite 410, Anchorage, AK 99501.

**FOR FURTHER INFORMATION CONTACT:** Elinda Hetami, Denali Commission, 510 L Street, Suite 410, Anchorage, AK 99501. Telephone: (907) 271-3415. Email: [ehetemi@denali.gov](mailto:ehetemi@denali.gov)

### **SUPPLEMENTARY INFORMATION:**

**Background:** The Denali Commission's mission is to partner with tribal, federal, state, and local governments and collaborate with all Alaskans to improve the effectiveness and

efficiency of government services, to build and ensure the operation and maintenance of Alaska's basic infrastructure, and to develop a well-trained labor force employed in a diversified and sustainable economy.

By creating the Commission, Congress mandated that all parties involved partner together to find new and innovative solutions to the unique infrastructure and economic development challenges in America's most remote communities. Pursuant to the Act, the Commission determines its own basic operating principles and funding criteria on an annual federal fiscal year (October 1 to September 30) basis. The Commission outlines these priorities and funding recommendations in an annual work plan. The FY 2020 Work Plan was developed in the following manner.

- A workgroup comprised of Denali Commissioners and Commission staff developed a preliminary draft work plan.
- The preliminary draft work plan was published on Denali.gov for review by the public in advance of public testimony.
- A public hearing was held to record public comments and recommendations on the preliminary draft work plan.
- Written comments on the preliminary draft work plan were accepted for another ten days after the public hearing.
- All public hearing comments and written comments were provided to Commissioners for their review and consideration.
- Commissioners discussed the preliminary draft work plan in a public meeting and then voted on the work plan during the meeting.
- The Commissioners forwarded their recommended work plan to the Federal Co-Chair, who then prepared the draft work plan for publication in the *Federal Register*

providing a 30-day period for public review and written comment. During this time, the draft work plan will also be disseminated to Commission program partners including, but not limited to, the Bureau of Indian Affairs (BIA), the Economic Development Administration (EDA), Department of Agriculture – Rural Utilities Service (USDA/RUS), and the State of Alaska.

- At the conclusion of the Federal Register Public comment period Commission staff provides the Federal Co-Chair with a summary of public comments and recommendations, if any, on the draft work plan.
- If no revisions are made to the draft, the Federal Co-Chair provides notice of approval of the work plan to the Commissioners, and forwards the work plan to the Secretary of Commerce for approval; or, if there are revisions the Federal Co-Chair provides notice of modifications to the Commissioners for their consideration and approval, and upon receipt of approval from Commissioners, forwards the work plan to the Secretary of Commerce for approval.
- The Secretary of Commerce approves the work plan.
- The Federal Co-Chair then approves grants and contracts based upon the approved work plan.

### **FY 2020 Appropriations Summary**

The Commission has historically received federal funding from several sources. The two primary sources at this time include the Energy & Water Appropriation Bill (“base” or “discretionary” funds) and an annual allocation from the Trans-Alaska Pipeline Liability (TAPL) fund. The proposed FY 2020 Work Plan assumes the Commission will receive \$15,000,000 of base funds, which is the amount referenced in the reauthorization of the Commission passed by Congress in 2016 (ref: Public Law 114-322), and a \$2,917,000

TAPL allocation based on discussions with the Office of Management and Budget (OMB). Approximately \$2,500,000 of the base funds will be used for administrative expenses and non-project program support, leaving \$12,500,000 available for program activities. The total base funding shown in the Work Plan also includes an amount typically available from project closeouts and other de-obligations that occur in any given year. Approximately \$117,000 of the TAPL funds will be utilized for administrative expenses and non-project program support, leaving \$2,800,000 available for program activities. Absent any new specific direction or limitations provided by Congress in the current Energy & Water Appropriations Bill, these funding sources are governed by the following general principles, either by statute or by language in the Work Plan itself:

- Funds from the Energy & Water Appropriation are eligible for use in all programs.
- TAPL funds can only be used for bulk fuel related projects and activities.
- Appropriated funds may be reduced due to Congressional action, rescissions by OMB, and other federal agency actions.
- All Energy & Water and TAPL investment amounts identified in the work plan, are “up to” amounts, and may be reassigned to other programs included in the current year work plan, if they are not fully expended in a program component area or a specific project.
- Energy & Water and TAPL funds set aside for administrative expenses that subsequently become available, may be used for program activities included in the current year work plan.

<b>DENALI COMMISSION FY2020 FUNDING SUMMARY</b>	
<i>Source</i>	<i>Available for Program Activities</i>
<b>Energy &amp; Water Funds</b>	
FY 2020 Energy & Water Appropriation <sup>1</sup>	\$12,500,000
Prior Year Funds	\$2,000,000
<b>Subtotal</b>	<b>\$14,500,000</b>
<b>TAPL Funds</b>	
FY 2020 Annual Allocation	\$2,800,000
<b>Grand Total</b>	<b>\$17,300,000</b>

**Notes:**

1. If the final appropriation is less than \$15 million the Federal Co-Chair shall reduce investments to balance the FY 2020 Work Plan.

<b><u>Energy Reliability and Security</u></b>	Base	TAPL	Total
Diesel Power Plants and Interties	\$3,800,000		\$3,800,000
Wind, Hydro, Biomass, Other Proven Renewables and Emerging Technologies	\$1,000,000		\$1,000,000
Audits, TA, & Community Energy Efficiency Improvements	\$500,000		\$500,000
RPSU Maintenance and Improvement Projects	\$1,200,000		\$1,200,000
<b>Subtotal</b>	<b>\$6,500,000</b>		<b>\$6,500,000</b>
<b><u>Bulk Fuel Safety and Security</u></b>			
New/Refurbished Facilities		\$1,500,000	\$1,500,000
Maintenance and Improvement Projects		\$700,000	\$700,000
<b>Subtotal</b>	<b>\$0</b>	<b>\$2,200,000</b>	<b>\$2,200,000</b>
<b><u>Village Infrastructure Protection</u></b>			
Mertarvik	\$150,000		\$150,000

Shishmaref	\$150,000		\$150,000
Shaktoolik	\$150,000		\$150,000
Kivalina	\$150,000		\$150,000
Program Support	\$400,000		\$400,000
<b>Subtotal</b>	<b>\$1,000,000</b>		<b>\$1,000,000</b>
<b><u>Transportation</u></b>	<b>\$1,000,000</b>		<b>\$1,000,000</b>
<b><u>Sanitation</u></b>			
Village Water, Wastewater and Solid Waste	\$2,000,000		\$2,000,000
<b>Subtotal</b>	<b>\$2,000,000</b>		<b>\$2,000,000</b>
<b><u>Health Facilities</u></b>	<b>\$1,000,000</b>		<b>\$1,000,000</b>
<b><u>Housing</u></b>	<b>\$500,000</b>		<b>\$500,000</b>
<b><u>Broadband</u></b>	<b>\$1,000,000</b>		<b>\$1,000,000</b>
<b><u>Workforce Development</u></b>			
Energy and Bulk Fuel	\$500,000	\$600,000	\$1,100,000
Other	\$1,000,000		\$1,000,000
<b>Subtotal</b>	<b>\$1,500,000</b>	<b>\$600,000</b>	<b>\$2,100,000</b>
<b>TOTALS</b>	<b>\$14,500,000</b>	<b>\$2,800,000</b>	<b>\$17,300,000</b>

**Energy, Bulk Fuel, Transportation, Sanitation, Health Facilities, Housing,**

**Broadband, Workforce Development**

In FY 2020 the Commission is moving in a new direction to work closely with other Federal Agencies, the State of Alaska and regional/local entities with the goal of

identifying projects with funding gaps that will allow the Commission to use its small amount of funding to move forward a large number of projects. The Commission has already begun to have conversations with many of our Federal partners and intends to prioritize shovel-ready projects where the Commission can leverage its funds. If the Commission is unable to fully utilize its funding by April of 2020 then it will use any remaining funds to fund Energy and Bulk Fuel projects consistent with a needs-based list established in partnership with the State of Alaska.

**Mertarvik, Shishmaref, Shaktoolik and Kivalina**

In FY 2020 the Commission will continue to provide support to these communities by funding the relocation coordinator positions. These coordinators will assist the communities in applying for grants and coordinating relocation efforts.

**Program Development**

The \$400,000 referenced above for this line item in the Workplan will be used to fund the ETC Grant Writing Center of Excellence at the Alaska Native Tribal Health Consortium.

**Chad Stovall,**

*Chief Operating Officer.*

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